

# Montana State Legislature

**2015 SESSION**

## **ADDITIONAL DOCUMENTS**

**May include the following:**

**Business Page**

**[Signed by Chairman]**

**Roll Call**

**Standing Committee Reports**

**Tabled Bills**

**Fiscal Reports**

**Rolls Call Votes**

**Proxy Forms**

**Visitor Registrations**

**\*Any other documents, which were submitted after the committee hearing has ended and/or was submitted late [within 48 hours], regarding information in the committee hearing.**

**\*Witness Statements that were not presented as exhibits.**

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## BUSINESS REPORT

### MONTANA HOUSE OF REPRESENTATIVES 64th LEGISLATURE - REGULAR SESSION

#### HOUSE APPROPRIATIONS COMMITTEE

**Date:** Friday, April 17, 2015  
**Place:** Capitol

**Time:** 6:30 A.M.  
**Room:** 102

#### **BILLS and RESOLUTIONS HEARD:**

- SB 20 - Reallocate metal mines license tax - Sen. Chas Vincent
- SB 157 - Generally revise tax reappraisal laws - Sen. Bruce Tutvedt
- SB 171 - Generally revise taxation of income, including the corporate income tax - Sen. Bruce Tutvedt
- SB 193 - Revise agency liquor store laws - Sen. Bruce Tutvedt
- SB 194 - Revise residential property tax credit for the elderly - Sen. Mary Caferro
- SB 252 - Revise K-12 funding laws related to oil and natural gas production taxes - Sen. Llew Jones
- SB 260 - Revise education funding laws related to oil and gas production taxes - Sen. Frederick (Eric) Moore
- SB 264 - Revise distribution of sales and use tax - Sen. Bob Keenan
- SB 375 - Revise certain highway speed limits - Sen. Scott Sales
- SB 386 - Revising late file penalty, filing, and withholding for pass-through entities - Sen. Jill Cohenour
- SB 410 - Provide for tax credits for contributions to public and private schools - Sen. Llew Jones
- SB 411 - Plan for the closure of Montana developmental center at Boulder - Sen. Mary Caferro

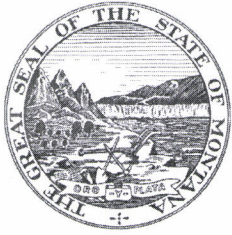
#### **EXECUTIVE ACTION TAKEN:**

- SB 20 - CONCURRED IN
- SB 107 - TABLED
- SB 157 - CONCURRED IN
- SB 171 - CONCURRED IN
- SB 193 - CONCURRED IN
- SB 194 - TABLED
- SB 252 - CONCURRED IN AS AMENDED
- SB 260 - CONCURRED IN
- SB 264 - TABLED
- SB 375 - CONCURRED IN
- SB 386 - CONCURRED IN
- SB 410 - CONCURRED IN AS AMENDED
- SB 411 - CONCURRED IN
- SB 418 - CONCURRED IN AS AMENDED

#### **Comments:**

None

  
REP. Nancy Ballance, Chair



*The Big Sky Country*

## MONTANA HOUSE OF REPRESENTATIVES

### APPROPRIATIONS COMMITTEE

#### ROLL CALL

DATE: April 17, 2015

NAME	PRESENT	ABSENT/EXCUSED
REP. RANDY <b>BRODEHL</b>	✓	
REP. KELLY <b>MCCARTHY</b>	✓	
REP. TOM <b>WOODS</b>	✓	
REP. CARL <b>GLIMM</b>	✓	
REP. DAVE <b>HAGSTROM</b>	✓	
REP. BOB <b>MEHLHOFF</b>	✓	
REP. TOM <b>BURNETT</b>	✓	
REP. DONALD <b>JONES</b>	✓	
REP. MITCH <b>TROPILA</b>		✓
REP. JANET <b>ELLIS</b>	✓	
REP. ROY <b>HOLLANDSWORTH</b>	✓	
REP. RON <b>EHLI</b>	✓	
REP. BRAD <b>TSCHIDA</b>	✓	
REP. RAE <b>PEPPERS</b>	✓	
REP. KIMBERLY <b>DUDIK</b>	✓	
REP. KENNETH <b>HOLMLUND</b>	✓	
REP. MIKE <b>CUFFE</b>	✓	
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN		✓
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN	✓	
REP. NANCY <b>BALLANCE</b> , CHAIR	✓	

20 MEMBERS





## HOUSE STANDING COMMITTEE REPORT

April 17, 2015

Page 1 of 1

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 20** (third reading copy -- blue) **be concurred in.**

Signed: \_\_\_\_\_

*Nancy Ballance*  
Representative Nancy Ballance, Chair

To be carried by Representative Ryan Osmundson

- END -

**Committee Vote:**

**Yes 20, No 0**

Fiscal Note Required   X  

SB0020002SC12599.hbb

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*4/17/15*  
*1pm*



## HOUSE STANDING COMMITTEE REPORT

April 17, 2015

Page 1 of 1

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 157** (third reading copy -- blue) **be concurred in.**

Signed: Nancy Ballance  
Representative Nancy Ballance, Chair

To be carried by Representative Ryan Osmundson

- END -

**Committee Vote:**

**Yes 17, No 3**

Fiscal Note Required X

SB0157003SC12599.hbb

OK  
4/17/15  
1pm



## HOUSE STANDING COMMITTEE REPORT

April 17, 2015  
Page 1 of 1

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 171** (third reading copy -- blue) **be concurred in.**

Signed: \_\_\_\_\_

*Nancy Ballance*  
Representative Nancy Ballance, Chair

To be carried by Representative Ryan Osmundson

- END -

**Committee Vote:**

**Yes 18, No 2**

Fiscal Note Required   X  

SB0171002SC12599.hbb

OK  
4/17/15  
1pm



## HOUSE STANDING COMMITTEE REPORT

April 17, 2015  
Page 1 of 1

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 193** (third reading copy -- blue) **be concurred in.**

Signed: *Nancy Ballance*  
*Representative Nancy Ballance, Chair*

To be carried by Representative Ryan Osmundson

- END -

**Committee Vote:**

**Yes 16, No 4**

Fiscal Note Required X

SB0193002SC12599.hbb

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*4/17/15*  
*1pm*



## HOUSE STANDING COMMITTEE REPORT

April 17, 2015

Page 1 of 3

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 252** (third reading copy -- blue) be concurred in as amended.

Signed: Nancy Ballance  
Representative Nancy Ballance, Chair

To be carried by Representative Ryan Osmundson

And, that such amendments read:

1. Page 5, line 22.

**Strike:** "IF"

**Insert:** "Except as provided in subsection (5)(c), if"

2. Page 5, line 22 through line 23.

**Strike:** "OF" on line 22 through "IN" on line 23

**Insert:** "apply an amount less than 12.5% of the total oil and natural gas production taxes received by the district in the prior school fiscal year to"

3. Page 5, line 24 through line 25.

**Strike:** "AN" on line 24 through "YEAR" on line 25

4. Page 5, line 27.

**Following:** "PRIOR"

**Insert:** "school"

5. Page 6, line 5.

**Following:** line 5

**Insert:** "(c) The provisions of subsection (5)(b) do not apply to the following:

(i) a district that has a maximum general fund budget of less than \$1 million;

(ii) a district whose oil and natural gas revenue combined

**Committee Vote:**

**Yes 20, No 0**

Fiscal Note Required X

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with its adopted general fund budget totals 105% or less of its maximum general fund budget;

(iii) a district that has a maximum general fund budget of \$1 million or more and has had an unusual enrollment increase approved by the superintendent of public instruction as provided in 20-9-314 in the year immediately preceding the fiscal year to which subsection (5) of this section would otherwise apply; or

(iv) a district that has issued outstanding oil and natural gas revenue bonds. Funds received pursuant to this section must first be applied by the district to payment of debt service obligations for oil and natural gas revenue bonds for the next 12-month period."

6. Page 8, line 4.

**Strike:** "IF"

**Insert:** "Except as provided in subsection (5)(c), if"

7. Page 8, line 4 through line 5.

**Strike:** "OF" on line 4 through "IN" on line 5

**Insert:** "apply an amount less than 12.5% of the total oil and natural gas production taxes received by the district in the prior school fiscal year to"

8. Page 8, line 6 through line 7.

**Strike:** "AN" on line 6 through "YEAR" on line 7

9. Page 8, line 9.

**Following:** "PRIOR"

**Insert:** "school"

10. Page 8, line 17.

**Following:** line 17

**Insert:** "(c) The provisions of subsection (5)(b) do not apply to the following:

(i) a district that has a maximum general fund budget of less than \$1 million;

(ii) a district whose oil and natural gas revenue combined with its adopted general fund budget totals 105% or less of its maximum general fund budget;

(iii) a district that has a maximum general fund budget of \$1 million or more and has had an unusual enrollment increase approved by the superintendent of public instruction as provided in 20-9-314 in the year immediately preceding the fiscal year to which subsection (5) of this section would otherwise apply; or

(iv) a district that has issued outstanding oil and natural gas revenue bonds. Funds received pursuant to this section must first be applied by the district to payment of debt service obligations for oil and natural gas revenue bonds for the next 12-month period."

11. Page 9, line 7.

**Strike:** "and" through "20-9-104(6)"

12. Page 10, line 5.

**Strike:** "and" through "20-9-104(6)"

- END -



## HOUSE STANDING COMMITTEE REPORT

April 17, 2015

Page 1 of 1

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 260** (third reading copy -- blue) **be concurred in.**

Signed:

*Nancy Ballance*  
Representative Nancy Ballance, Chair

To be carried by Representative Ryan Osmundson

- END -

Committee Vote:

Yes 20, No 0

Fiscal Note Required X

SB0260002SC12599.hbb

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*4/17/15*  
*1pm*





## HOUSE STANDING COMMITTEE REPORT

April 17, 2015

Page 1 of 1

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 375** (third reading copy -- blue) **be concurred in.**

Signed: *Nancy Ballance*  
*Representative Nancy Ballance, Chair*

To be carried by Representative Ryan Osmundson

- END -

**Committee Vote:**

**Yes 13, No 7**

Fiscal Note Required   X  

SB0375002SC12599.hbb

*OK  
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10m*



## HOUSE STANDING COMMITTEE REPORT

April 17, 2015

Page 1 of 1

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 386** (third reading copy -- blue) **be concurred in.**

Signed: Nancy Ballance  
Representative Nancy Ballance, Chair

To be carried by Representative Ryan Osmundson

- END -

**Committee Vote:**

**Yes 20, No 0**

Fiscal Note Required X

SB0386002SC12599.hbb

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1pm



## HOUSE STANDING COMMITTEE REPORT

April 17, 2015

Page 1 of 9

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 410** (third reading copy -- blue) be concurred in as amended.

Signed:

*Nancy Ballance*  
Representative Nancy Ballance, Chair

To be carried by Representative Ryan Osmundson

**And, that such amendments read:**

1. Title, page 1, line 12.

**Following:** "AUTHORITY;"

**Insert:** "PROVIDING A STATUTORY APPROPRIATION;"

**Following:** "15-30-2110"

**Insert:** ", 15-30-2618, 15-31-511, 17-7-502,"

2. Page 1, line 26.

**Following:** line 25

**Insert:** "(1) "Department" means the department of revenue provided for in 2-15-1301."

**Renumber:** subsequent subsections

3. Page 3, line 30 through page 4, line 1.

**Strike:** "set the maximum receivable amount"

**Insert:** "determine the allocation"

4. Page 4, line 1.

**Strike:** "or large district"

**Following:** "based on"

**Strike:** "a"

**Insert:** "the"

**Committee Vote:**

**Yes 12, No 8**

Fiscal Note Required X

SB0410002SC12599.hbb

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*1:15*

5. Page 4, line 2.

**Following:** the first "educators"

**Insert:** "compared"

6. Page 4, line 3.

**Strike:** "or large district"

7. Page 4, line 23.

**Strike:** "DEPARTMENT"

**Insert:** "superintendent of public instruction"

8. Page 4, line 25.

**Following:** ".\_"

**Insert:** "In order to implement and administer the provisions of [sections 1 through 6], the department and the superintendent of public instruction shall exchange taxpayer information and develop policies to prevent the unauthorized disclosure of confidential records and information."

9. Page 4, line 27.

**Strike:** "Appropriations may be made from"

**Insert:** "Money in"

**Following:** "account"

**Insert:** "is statutorily appropriated, as provided in 17-7-502,"

10. Page 9, line 2.

**Following:** "\$3 million"

**Insert:** "or the aggregate limit provided for in subsection (5)(a)(iii)"

11. Page 9, line 3.

**Strike:** "made by taxpayers or"

12. Page 9, line 4.

**Following:** "10% for"

**Strike:** "each"

**Insert:** "the"

13. Page 9, line 5.

**Strike:** "year"

**Insert:** "years"

14. Page 9, line 6.

**Following:** line 5

**Insert:** "(iii) If the aggregate limit is increased in any tax year, the department shall use the new limit as the base aggregate limit for succeeding tax years until a new aggregated limit is established under the provisions of subsection (5)(a)(ii)."

15. Page 9, line 6.

**Strike:** "TAX credits"

**Insert:** "donations"

16. Page 9, line 9 through line 12.

**Strike:** "If a disallowance" on line 9 through "15-1-216." on line 12

17. Page 10, line 11.

**Following:** "\$3 million"

**Insert:** "or the aggregate limit provided for in subsection (5)(a)(iii)"

18. Page 10, line 12.

**Strike:** "claimed by taxpayers or"

19. Page 10, line 13.

**Following:** "10% for"

**Strike:** "each"

**Insert:** "the"

**Strike:** "year"

**Insert:** "years"

20. Page 10, line 14.

**Following:** line 13

**Insert:** "(iii) If the aggregate limit is increased in any tax year, the department shall use the new limit as the base aggregate limit for succeeding tax years until a new aggregated limit is established under the provisions of subsection (5)(a)(ii)."

21. Page 10, line 17 through line 19.

**Strike:** "If a disallowance" on line 17 through "15-1-216." on line 19

22. Page 11, line 23.

**Following:** ";

**Insert:** "and"

23. Page 11, line 24 through line 25.

**Strike:** ": (A)"

24. Page 11, line 26.

**Strike:** "; and"

**Insert:** "."

25. Page 11, line 27 through line 30.

**Strike:** subsection (B) in its entirety

26. Page 19, line 16.

**Following:** line 15

**Insert:** "Section 24. Section 15-30-2618, MCA, is amended to read:

**"15-30-2618. Confidentiality of tax records.** (1) Except as provided in 5-12-303, 15-1-106, 17-7-111, and subsections (8) and (9) of this section, in accordance with a proper judicial order, or as otherwise provided by law, it is unlawful to divulge or make known in any manner:

(a) the amount of income or any particulars set forth or disclosed in any individual report or individual return required under this chapter or any other information secured in the administration of this chapter; or

(b) any federal return or federal return information disclosed on any return or report required by rule of the department or under this chapter.

(2) (a) The officers charged with the custody of the reports and returns may not be required to produce them or evidence of anything contained in them in an action or proceeding in a court, except in an action or proceeding:

(i) to which the department is a party under the provisions of this chapter or any other taxing act; or

(ii) on behalf of a party to any action or proceedings under the provisions of this chapter or other taxes when the reports or facts shown by the reports are directly involved in the action or proceedings.

(b) The court may require the production of and may admit in evidence only as much of the reports or of the facts shown by the reports as are pertinent to the action or proceedings.

(3) This section does not prohibit:

(a) the delivery to a taxpayer or the taxpayer's authorized representative of a certified copy of any return or report filed in connection with the taxpayer's tax;

(b) the publication of statistics classified to prevent the identification of particular reports or returns and the items of particular reports or returns; or

(c) the inspection by the attorney general or other legal representative of the state of the report or return of any taxpayer who brings an action to set aside or review the tax based on the report or return or against whom an action or proceeding has been instituted in accordance with the provisions of 15-30-2630.

(4) The department may deliver to a taxpayer's spouse the taxpayer's return or information related to the return for a tax year if the spouse and the taxpayer filed the return with the filing status of married filing separately on the same return. The information being provided to the spouse or reported on the return, including subsequent adjustments or amendments to the return, must be treated in the same manner as if the spouse and the taxpayer filed the return using a joint filing status for that tax year.

(5) Reports and returns must be preserved for at least 3 years and may be preserved until the department orders them to be destroyed.

(6) Any offense against subsections (1) through (5) is punishable by a fine not exceeding \$500. If the offender is an officer or employee of the state, the offender must be dismissed from office or employment and may not hold any public office or public employment in this state for a period of 1 year after dismissal or, in the case of a former officer or employee, for 1 year after conviction.

(7) This section may not be construed to prohibit the department from providing taxpayer return information and information from employers' payroll withholding reports to:

(a) the department of labor and industry to be used for the purpose of investigation and prevention of noncompliance, tax evasion, fraud, and abuse under the unemployment insurance laws; or

(b) the state fund to be used for the purpose of investigation and prevention of noncompliance, fraud, and abuse under the workers' compensation program.

(8) The department may permit the commissioner of internal revenue of the United States or the proper officer of any state imposing a tax upon the incomes of individuals or the authorized representative of either officer to inspect the return of income of any individual or may furnish to the officer or an authorized representative an abstract of the return of income of any individual or supply the officer with information concerning an item of income contained in a return or disclosed by the report of an investigation of the income or return of income of an individual, but the permission may be granted or information furnished only if the statutes of the United States or of the other state grant substantially similar privileges to the proper officer of this state charged with the administration of this chapter.

(9) On written request to the director or a designee of the director, the department shall furnish:

(a) to the department of justice all information necessary to identify those persons qualifying for the additional exemption for blindness pursuant to 15-30-2114(4), for the purpose of enabling the department of justice to administer the provisions of 61-5-105;

(b) to the department of public health and human services information acquired under 15-30-2616, pertaining to an applicant for public assistance, reasonably necessary for the prevention and detection of public assistance fraud and abuse, provided notice to the applicant has been given;

(c) to the department of labor and industry for the purpose of prevention and detection of fraud and abuse in and eligibility for benefits under the unemployment compensation and workers' compensation programs information on whether a taxpayer who is the subject of an ongoing investigation by the department of

labor and industry is an employee, an independent contractor, or self-employed;

(d) to the department of fish, wildlife, and parks specific information that is available from income tax returns and required under 87-2-102 to establish the residency requirements of an applicant for hunting and fishing licenses;

(e) to the board of regents information required under 20-26-1111;

(f) to the legislative fiscal analyst and the office of budget and program planning individual income tax information as provided in 5-12-303, 15-1-106, and 17-7-111. The information provided to the office of budget and program planning must be the same as the information provided to the legislative fiscal analyst.

(g) to the department of transportation farm income information based on the most recent income tax return filed by an applicant applying for a refund under 15-70-223 or 15-70-362, provided that notice to the applicant has been given as provided in 15-70-223 and 15-70-362. The information obtained by the department of transportation is subject to the same restrictions on disclosure as are individual income tax returns.

(h) to the commissioner of insurance's office all information necessary for the administration of the small business health insurance tax credit provided for in Title 33, chapter 22, part 20;

(i) to the superintendent of public instruction information required under [section 5]."

**"Section 25.** Section 15-31-511, MCA, is amended to read:

**"15-31-511. Confidentiality of tax records.** (1) Except as provided in this section, in accordance with a proper judicial order, or as otherwise provided by law, it is unlawful to divulge or make known in any manner:

(a) the amount of income or any particulars set forth or disclosed in any return or report required under this chapter or any other information relating to taxation secured in the administration of this chapter; or

(b) any federal return or information in or disclosed on a federal return or report required by law or rule of the department under this chapter.

(2) (a) An officer or employee charged with custody of returns and reports required by this chapter may not be ordered to produce any of them or evidence of anything contained in them in any administrative proceeding or action or proceeding in any court, except:

(i) in an action or proceeding in which the department is a party under the provisions of this chapter; or

(ii) in any other tax proceeding or on behalf of a party to an action or proceeding under the provisions of this chapter when the returns or reports or facts shown in them are directly pertinent to the action or proceeding.

(b) If the production of a return, report, or information



contained in them is ordered, the court shall limit production of and the admission of returns, reports, or facts shown in them to the matters directly pertinent to the action or proceeding.

(3) This section does not prohibit:

(a) the delivery of a certified copy of any return or report filed in connection with a return to the taxpayer who filed the return or report or to the taxpayer's authorized representative;

(b) the publication of statistics prepared in a manner that prevents the identification of particular returns, reports, or items from returns or reports;

(c) the inspection of returns and reports by the attorney general or other legal representative of the state in the course of an administrative proceeding or litigation under this chapter;

(d) access to information under subsection (4);

(e) the director of revenue from permitting a representative of the commissioner of internal revenue of the United States or a representative of a proper officer of any state imposing a tax on the income of a taxpayer to inspect the returns or reports of a corporation. The department may also furnish those persons abstracts of income, returns, and reports; information concerning any item in a return or report; and any item disclosed by an investigation of the income or return of a corporation. The director of revenue may not furnish that information to a person representing the United States or another state unless the United States or the other state grants substantially similar privileges to an officer of this state charged with the administration of this chapter.

(f) the disclosure of information to the commissioner of insurance's office that is necessary for the administration of the small business health insurance tax credit provided for in Title 33, chapter 22, part 20.

(4) On written request to the director or a designee of the director, the department shall:

(a) allow the inspection of returns and reports by the legislative auditor, but the information furnished to the legislative auditor is subject to the same restrictions on disclosure outside that office as provided in subsection (1); and

(b) provide corporate income tax and alternative corporate income tax information, including any information that may be required under Title 15, chapter 30, part 33, to the legislative fiscal analyst, as provided in 5-12-303 or 15-1-106, and the office of budget and program planning, as provided in 15-1-106 or 17-7-111. The information furnished to the legislative fiscal analyst and the office of budget and program planning is subject to the same restrictions on disclosure outside those offices as provided in subsection (1).

(c) furnish to the superintendent of public instruction information required under [section 5].

(5) A person convicted of violating this section shall be fined not to exceed \$500. If a public officer or public employee

is convicted of violating this section, the person is dismissed from office or employment and may not hold any public office or public employment in the state for a period of 1 year after dismissal or, in the case of a former officer or employee, for 1 year after conviction."

**Insert: "Section 26.** Section 17-7-502, MCA, is amended to read:

**"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-15-247; 2-17-105; 5-11-120; 5-11-407; 5-13-403; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-121; 15-1-218; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-70-369; 15-70-601; 16-11-509; 17-3-106; 17-3-112; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 18-11-112; 19-3-319; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; [section 5]; 20-9-534; 20-9-622; 20-26-1503; 22-1-327; 22-3-1004; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 30-10-1004; 37-43-204; 37-51-501; 39-1-105; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-206; 44-13-102; 53-1-109; 53-1-215; 53-2-208; 53-9-113; 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 76-13-150; 76-13-416; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 81-1-112; 81-7-106; 81-10-103; 82-11-161; 85-20-1504; 85-20-1505; 87-1-603; 90-1-115; 90-1-205; 90-1-504; 90-3-1003; 90-6-331; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates contingently when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less;

pursuant to sec. 10, Ch. 10, Sp. L. May 2000, secs. 3 and 6, Ch. 481, L. 2003, and sec. 2, Ch. 459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410 terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for the supplemental benefit provided by 19-6-709; pursuant to sec. 14, Ch. 374, L. 2009, the inclusion of 53-9-113 terminates June 30, 2015; pursuant to sec. 5, Ch. 442, L. 2009, the inclusion of 90-6-331 terminates June 30, 2019; pursuant to sec. 16, Ch. 58, L. 2011, the inclusion of 30-10-1004 terminates June 30, 2017; pursuant to sec. 6, Ch. 61, L. 2011, the inclusion of 76-13-416 terminates June 30, 2019; pursuant to sec. 13, Ch. 339, L. 2011, the inclusion of 81-1-112 and 81-7-106 terminates June 30, 2017; pursuant to sec. 11(2), Ch. 17, L. 2013, the inclusion of 17-3-112 terminates on occurrence of contingency; pursuant to secs. 3 and 5, Ch. 244, L. 2013, the inclusion of 22-1-327 is effective July 1, 2015, and terminates July 1, 2017; and pursuant to sec. 10, Ch. 413, L. 2013, the inclusion of 2-15-247, 39-1-105, 53-1-215, and 53-2-208 terminates June 30, 2015.) ""

**Renumber:** subsequent sections

- END -



## HOUSE STANDING COMMITTEE REPORT

April 17, 2015

Page 1 of 1

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 418** (third reading copy -- blue) **be concurred in as amended.**

Signed: *Nancy Ballance*  
Representative Nancy Ballance, Chair

To be carried by Representative Ryan Osmundson

**And, that such amendments read:**

1. Title, page 1, line 5.

**Following:** "AN"

**Insert:** "IMMEDIATE"

2. Page 1, line 10.

**Strike:** "On July"

**Insert:** "By June"

**Strike:** "\$1.2"

**Insert:** "\$1.35"

3. Page 1, line 14.

**Strike:** "July 1, 2015"

**Insert:** "on passage and approval"

- END -

**Committee Vote:**

**Yes 20, No 0**

Fiscal Note Required ☐

SB0418001SC12599.hbb

*u*  
*4/17/15*  
*1:15*



## HOUSE STANDING COMMITTEE REPORT

April 17, 2015

Page 1 of 1

Mr. Speaker:

We, your committee on **Appropriations** recommend that **Senate Bill 411** (third reading copy -- blue) **be concurred in.**

Signed: *Nancy Ballance*  
Representative Nancy Ballance, Chair

To be carried by Representative Ryan Osmundson

- END -

**Committee Vote:**

**Yes 15, No 5**

Fiscal Note Required   X  

SB0411002SC12599.hbb

*M*  
*4/17/15*  
*6pm*

## BILL TABLED NOTICE

### HOUSE APPROPRIATIONS COMMITTEE

The HOUSE APPROPRIATIONS COMMITTEE TABLED

**SB 107 - Revise K-12 school district expansion laws - Sen. Taylor Brown**

by motion, on **Friday, April 17, 2015** (PLEASE USE THIS ACTION DATE IN LAWS BILL STATUS).



\_\_\_\_\_  
(For the Committee)



\_\_\_\_\_  
(For the Chief Clerk of the House)

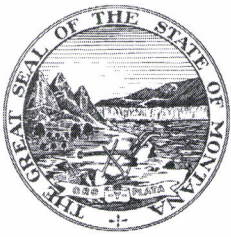
\_\_\_\_\_  
(Time)

  
(Date)

April 17, 2015 (5:54pm)

Katya Grover, Secretary

Phone: 444-1754



*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 171

DATE April 17, 2015

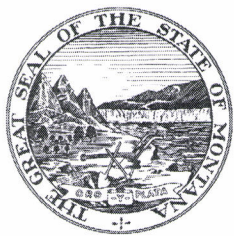
MOTION Be Concurred In

NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>	✓		
REP. KELLY <b>MCCARTHY</b>	✓		
REP. TOM <b>WOODS</b>	✓		
REP. CARL <b>GLIMM</b>	✓		
REP. DAVE <b>HAGSTROM</b>	✓		
REP. BOB <b>MEHLHOFF</b>	✓		
REP. TOM <b>BURNETT</b>	✓		
REP. DONALD <b>JONES</b>	✓		
REP. MITCH <b>TROPILA</b>	✓		
REP. JANET <b>ELLIS</b>		✓	
REP. ROY <b>HOLLANDSWORTH</b>	✓		
REP. RON <b>EHLI</b>	✓		
REP. BRAD <b>TSCHIDA</b>	✓		
REP. RAE <b>PEPPERS</b>	✓		
REP. KIMBERLY <b>DUDIK</b>		✓	
REP. KENNETH <b>HOLMLUND</b>	✓		
REP. MIKE <b>CUFFE</b>	✓		
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN	✓		
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN	✓		✓
REP. NANCY <b>BALLANCE</b> , CHAIR	✓		

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2 20 MEMBERS





*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 193

DATE April 17, 2015

MOTION Be Concurred In

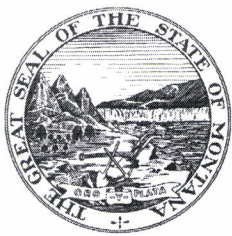
NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>	✓		
REP. KELLY <b>MCCARTHY</b>	✓		
REP. TOM <b>WOODS</b>	✓		
REP. CARL <b>GLIMM</b>		✓	
REP. DAVE <b>HAGSTROM</b>	✓		
REP. BOB <b>MEHLHOFF</b>	✓		
REP. TOM <b>BURNETT</b>	✓		
REP. DONALD <b>JONES</b>	✓		
REP. MITCH <b>TROPILA</b>	✓		
REP. JANET <b>ELLIS</b>	✓		
REP. ROY <b>HOLLANDSWORTH</b>	✓		
REP. RON <b>EHLI</b>	✓		
REP. BRAD <b>TSCHIDA</b>		✓	
REP. RAE <b>PEPPERS</b>		✓	
REP. KIMBERLY <b>DUDIK</b>	✓		
REP. KENNETH <b>HOLMLUND</b>	✓		
REP. MIKE <b>CUFFE</b>	✓		
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN		✓	
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN	✓		✓
REP. NANCY <b>BALLANCE</b> , CHAIR	✓		

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4

20 MEMBERS





*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 194

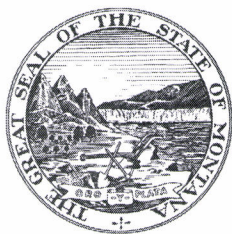
DATE April 17, 2015

MOTION Be Concurred In

NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>		✓	
REP. KELLY <b>MCCARTHY</b>	✓		
REP. TOM <b>WOODS</b>	✓		
REP. CARL <b>GLIMM</b>		✓	
REP. DAVE <b>HAGSTROM</b>	✓		
REP. BOB <b>MEHLHOFF</b>	✓		
REP. TOM <b>BURNETT</b>		✓	
REP. DONALD <b>JONES</b>		✓	
REP. MITCH <b>TROPILA</b>	✓		
REP. JANET <b>ELLIS</b>	✓		
REP. ROY <b>HOLLANDSWORTH</b>		✓	
REP. RON <b>EHLI</b>	✓		
REP. BRAD <b>TSCHIDA</b>		✓	
REP. RAE <b>PEPPERS</b>	✓		
REP. KIMBERLY <b>DUDIK</b>	✓		
REP. KENNETH <b>HOLMLUND</b>		✓	
REP. MIKE <b>CUFFE</b>		✓	
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN	✓		
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN		✓	✓
REP. NANCY <b>BALLANCE</b> , CHAIR		✓	

10

10 20 MEMBERS



*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 264

DATE April 17, 2015

MOTION Be Tabled

NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>	✓		
REP. KELLY <b>MCCARTHY</b>		✓	
REP. TOM <b>WOODS</b>		✓	
REP. CARL <b>GLIMM</b>	✓		
REP. DAVE <b>HAGSTROM</b>		✓	
REP. BOB <b>MEHLHOFF</b>		✓	
REP. TOM <b>BURNETT</b>	✓		
REP. DONALD <b>JONES</b>	✓		
REP. MITCH <b>TROPILA</b>		✓	
REP. JANET <b>ELLIS</b>		✓	
REP. ROY <b>HOLLANDSWORTH</b>	✓		
REP. RON <b>EHLI</b>	✓		
REP. BRAD <b>TSCHIDA</b>	✓		
REP. RAE <b>PEPPERS</b>		✓	
REP. KIMBERLY <b>DUDIK</b>		✓	
REP. KENNETH <b>HOLMLUND</b>	✓		
REP. MIKE <b>CUFFE</b>	✓		
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN		✓	
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN	✓		✓
REP. NANCY <b>BALLANCE</b> , CHAIR	✓		

11

9 20 MEMBERS

## BILL TABLED NOTICE

### HOUSE APPROPRIATIONS COMMITTEE

The HOUSE APPROPRIATIONS COMMITTEE TABLED

**SB 194 - Revise residential property tax credit for the elderly - Sen. Mary Caferro**

**SB 264 - Revise distribution of sales and use tax - Sen. Bob Keenan**

by motion, on **Friday, April 17, 2015** (PLEASE USE THIS ACTION DATE IN LAWS BILL STATUS).

K. Grover  
(For the Committee)

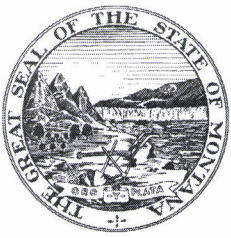
U  
(For the Chief Clerk of the House)  
12:45, 4/17/15  
(Time) (Date)

April 17, 2015 (12:33pm)

Katya Grover, Secretary

Phone: 444-1754





*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 345

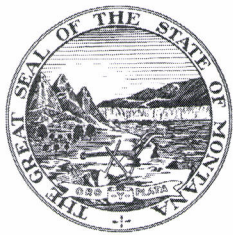
DATE April 17, 2015

MOTION Be Concurred In

NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>	✓		
REP. KELLY <b>MCCARTHY</b>	✓		
REP. TOM <b>WOODS</b>		✓	
REP. CARL <b>GLIMM</b>	✓		
REP. DAVE <b>HAGSTROM</b>	✓		
REP. BOB <b>MEHLHOFF</b>		✓	
REP. TOM <b>BURNETT</b>	✓		
REP. DONALD <b>JONES</b>	✓		
REP. MITCH <b>TROPILA</b>		✓	
REP. JANET <b>ELLIS</b>		✓	
REP. ROY <b>HOLLANDSWORTH</b>	✓		
REP. RON <b>EHLI</b>	✓		
REP. BRAD <b>TSCHIDA</b>	✓		
REP. RAE <b>PEPPERS</b>		✓	
REP. KIMBERLY <b>DUDIK</b>		✓	
REP. KENNETH <b>HOLMLUND</b>	✓		
REP. MIKE <b>CUFFE</b>		✓	
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN	✓		
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN	✓		✓
REP. NANCY <b>BALLANCE</b> , CHAIR	✓		

13

7 20 MEMBERS



*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 410

DATE April 17, 2015

MOTION (Substitute) Motion to Segregate Items 19, 26 in SB 0410 to AJC

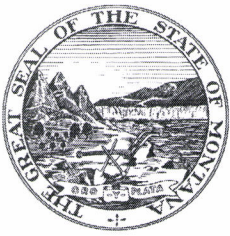
NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>		✓	
REP. KELLY <b>MCCARTHY</b>		✓	
REP. TOM <b>WOODS</b>	✓		
REP. CARL <b>GLIMM</b>		✓	
REP. DAVE <b>HAGSTROM</b>		✓	
REP. BOB <b>MEHLHOFF</b>		✓	
REP. TOM <b>BURNETT</b>		✓	
REP. DONALD <b>JONES</b>		✓	✓
REP. MITCH <b>TROPILA</b>	✓		
REP. JANET <b>ELLIS</b>	✓		
REP. ROY <b>HOLLANDSWORTH</b>		✓	
REP. RON <b>EHLI</b>		✓	
REP. BRAD <b>TSCHIDA</b>		✓	
REP. RAE <b>PEPPERS</b>	✓		
REP. KIMBERLY <b>DUDIK</b>	✓		
REP. KENNETH <b>HOLMLUND</b>		✓	
REP. MIKE <b>CUFFE</b>		✓	
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN	✓		
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN		✓	✓
REP. NANCY <b>BALLANCE</b> , CHAIR		✓	

6

14

20 MEMBERS





*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 410

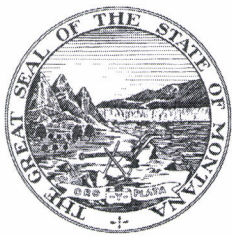
DATE April 17, 2015

MOTION Be Amended : SB 041012.0 A JC

NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>	✓		
REP. KELLY <b>MCCARTHY</b>	✓		
REP. TOM <b>WOODS</b>	✓		
REP. CARL <b>GLIMM</b>	✓		
REP. DAVE <b>HAGSTROM</b>	✓		
REP. BOB <b>MEHLHOFF</b>	✓		
REP. TOM <b>BURNETT</b>	✓		
REP. DONALD <b>JONES</b>	✓		✓
REP. MITCH <b>TROPILA</b>		✓	
REP. JANET <b>ELLIS</b>		✓	
REP. ROY <b>HOLLANDSWORTH</b>	✓		
REP. RON <b>EHLI</b>	✓		
REP. BRAD <b>TSCHIDA</b>	✓		
REP. RAE <b>PEPPERS</b>		✓	
REP. KIMBERLY <b>DUDIK</b>	✓		
REP. KENNETH <b>HOLMLUND</b>	✓		
REP. MIKE <b>CUFFE</b>	✓		
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN	✓		
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN	✓		✓
REP. NANCY <b>BALLANCE</b> , CHAIR	✓		

17

3 20 MEMBERS



*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 410

DATE April 17, 2015

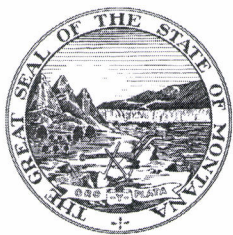
MOTION Be Concurred In as Amended: SB 041012 AJC

NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>	✓		
REP. KELLY <b>MCCARTHY</b>		✓	
REP. TOM <b>WOODS</b>		✓	
REP. CARL <b>GLIMM</b>	✓		
REP. DAVE <b>HAGSTROM</b>	✓		
REP. BOB <b>MEHLHOFF</b>		✓	
REP. TOM <b>BURNETT</b>	✓		
REP. DONALD <b>JONES</b>	✓		✓
REP. MITCH <b>TROPILA</b>		✓	
REP. JANET <b>ELLIS</b>		✓	
REP. ROY <b>HOLLANDSWORTH</b>	✓		
REP. RON <b>EHLI</b>	✓		
REP. BRAD <b>TSCHIDA</b>	✓		
REP. RAE <b>PEPPERS</b>		✓	
REP. KIMBERLY <b>DUDIK</b>		✓	
REP. KENNETH <b>HOLMLUND</b>	✓		
REP. MIKE <b>CUFFE</b>	✓		
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN		✓	
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN	✓		✓
REP. NANCY <b>BALLANCE</b> , CHAIR	✓		

12

8 20 MEMBERS





*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 411

DATE April 17, 2015

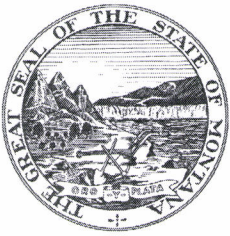
MOTION Be concurred in

NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>	✓		
REP. KELLY <b>MCCARTHY</b>	✓		
REP. TOM <b>WOODS</b>		✓	
REP. CARL <b>GLIMM</b>	✓		
REP. DAVE <b>HAGSTROM</b>	✓		
REP. BOB <b>MEHLHOFF</b>		✓	
REP. TOM <b>BURNETT</b>	✓		
REP. DONALD <b>JONES</b>	✓		
REP. MITCH <b>TROPILA</b>		✓	
REP. JANET <b>ELLIS</b>		✓	
REP. ROY <b>HOLLANDSWORTH</b>	✓		
REP. RON <b>EHLI</b>	✓		
REP. BRAD <b>TSCHIDA</b>	✓		
REP. RAE <b>PEPPERS</b>		✓	
REP. KIMBERLY <b>DUDIK</b>	✓		
REP. KENNETH <b>HOLMLUND</b>	✓		
REP. MIKE <b>CUFFE</b>	✓		
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN	✓		
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN	✓		✓
REP. NANCY <b>BALLANCE</b> , CHAIR	✓		

15

5 20 MEMBERS





*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## APPROPRIATIONS COMMITTEE

### ROLL CALL VOTE

BILL NUMBER SB 104

DATE April 17, 2015

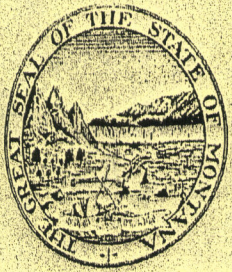
MOTION Be Concurred In

NAME	AYE	NO	PROXY
REP. RANDY <b>BRODEHL</b>	✓		
REP. KELLY <b>MCCARTHY</b>		✓	
REP. TOM <b>WOODS</b>		✓	
REP. CARL <b>GLIMM</b>	✓		
REP. DAVE <b>HAGSTROM</b>	✓		
REP. BOB <b>MEHLHOFF</b>		✓	
REP. TOM <b>BURNETT</b>	✓		
REP. DONALD <b>JONES</b>		✓	
REP. MITCH <b>TROPILA</b>		✓	
REP. JANET <b>ELLIS</b>		✓	
REP. ROY <b>HOLLANDSWORTH</b>	✓		
REP. RON <b>EHLI</b>	✓		
REP. BRAD <b>TSCHIDA</b>	✓		
REP. RAE <b>PEPPERS</b>		✓	
REP. KIMBERLY <b>DUDIK</b>		✓	
REP. KENNETH <b>HOLMLUND</b>		✓	
REP. MIKE <b>CUFFE</b>		✓	
REP. PAT <b>NOONAN</b> , MIN. VICE CHAIRMAN		✓	
REP. RYAN <b>OSMUNDSON</b> , MAJ. VICE CHAIRMAN	✓		✓
REP. NANCY <b>BALLANCE</b> , CHAIR	✓		

9

11 20 MEMBERS





The Big Sky Country

OSmanson

# MONTANA HOUSE OF REPRESENTATIVES

## AUTHORIZED COMMITTEE PROXY

pg 1 of 2

I request to be excused from the

Appropriations

Committee because of other commitments. I desire to leave my proxy vote with:

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT

AYE

NO

SB 20	X	
SB 157	X	X
SB 171	X	
SB 193	X	
SB 194		X
SB 252 <sup>Amend</sup> 200A Apr	X	
SB 252 <sup>AS Amend</sup>	X	
SB 260 <sup>T</sup>	X	
SB 375	X	
SB 386	X	
SB 410 <sup>Amend</sup> 12-AJC	X	
SEgregate motion		X
12-AJC	X	
SB 410 <sup>AS Amend</sup>	X	

BILL/AMENDMENT

AYE

NO

SB 418 <sup>AS Amend</sup> AJC	X	
SB 418 <sup>AS Amend</sup>	X	
SB 264 <sup>T</sup>	T	
SB 194 <sup>T</sup>	X	

Rep.

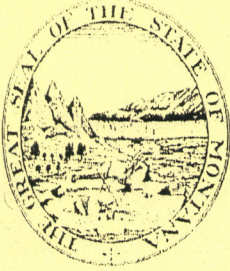
(Signature)

Date

4-17-15



Osmond Sen



*The Big Sky Country*

# MONTANA HOUSE OF REPRESENTATIVES

## AUTHORIZED COMMITTEE PROXY

pg 2 of 2

I request to be excused from the

Appropriations

Committee because of other commitments. I desire to leave my proxy vote with:

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT

AYE

NO

SB 411	X	
SB 107	X	

BILL/AMENDMENT

AYE

NO

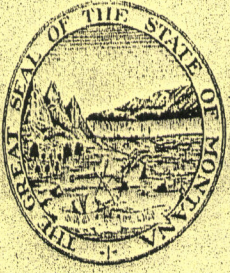

Rep.

(Signature)

Date

4-17-15





D. Jones

The Big Sky Country

# MONTANA HOUSE OF REPRESENTATIVES

## AUTHORIZED COMMITTEE PROXY

I request to be excused from the

APPROPRIATIONS

Committee because of other commitments. I desire to leave my proxy vote with:

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT

AYE

NO

BILL/AMENDMENT

AYE

NO

SB 410 <sup>Amend</sup> 12.AJC	X	
SEQUESTER MOTION		X
12.AJC	X	
SB 410 AS Amend	X	
SB 418 <sup>Amend</sup>	X	
SB 418 <sup>AS</sup> Amend	X	
SB 264 T	X	


Rep.

(Signature)

Date

4-17-15



**MONTANA House of Representatives  
Visitors Register  
HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

## SB 20 - Reallocate metal mines license tax

Sponsor: **Sen. Chas Vincent**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**

# MONTANA House of Representatives

## Visitors Register

**HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

## SB 375 - Revise certain highway speed limits

Sponsor: **Sen. Scott Sales**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**

**MONTANA House of Representatives  
Visitors Register  
HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

**SB 386 - Revising late file penalty, filing, and withholding for pass-through entities**

Sponsor: **Sen. Jill Cohenour**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**



**MONTANA House of Representatives  
Visitors Register  
HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

**SB 410** - Provide for tax credits for contributions to public and private schools

**Sponsor: Sen. Llew Jones**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**



**MONTANA House of Representatives  
Visitors Register  
HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

## SB 411 - Plan for the closure of Montana developmental center at Boulder

**Sponsor: Sen. Mary Caferro**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**

**MONTANA House of Representatives  
Visitors Register  
HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

## SB 157 - Generally revise tax reappraisal laws

Sponsor: **Sen. Bruce Tutvedt**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**

**MONTANA House of Representatives**  
**Visitors Register**  
**HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

**SB 171 - Generally revise taxation of income, including the corporate income tax**

Sponsor: **Sen. Bruce Tutvedt**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**

**MONTANA House of Representatives  
Visitors Register  
HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

## SB 193 - Revise agency liquor store laws

Sponsor: **Sen. Bruce Tutvedt**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**



**MONTANA House of Representatives  
Visitors Register  
HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

**SB 194 - Revise residential property tax credit for the elderly**

Sponsor: **Sen. Mary Caferro**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**

**MONTANA House of Representatives  
Visitors Register  
HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

**SB 252** - Revise K-12 funding laws related to oil and natural gas production taxes

Sponsor: **Sen. Llew Jones**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**

**HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

**SB 260 - Revise education funding laws related to oil and gas production taxes**

Sponsor: **Sen. Frederick (Eric) Moore**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**



**MONTANA House of Representatives  
Visitors Register  
HOUSE APPROPRIATIONS COMMITTEE**

**Friday, April 17, 2015**

## SB 264 - Revise distribution of sales and use tax

Sponsor: **Sen. Bob Keenan**

**PLEASE PRINT**

[illegible]

**Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.**



**Core Metrics for Consideration for Energy Impact Schools**  
**Prepared by Daniel T. Farr, Ed.D., Superintendent Sidney Schools**

**Introduction:**

SB 175 was a significant step forward in addressing school funding and educational quality across the state. Over the two year phase in period it was important to evaluate the entirety of the bill and its effect on the quality of education provided Montana's students. Educational need across the *Treasure State* is often difficult if not impossible to quantify as each school has its own story and special set of circumstances. Components of SB 175 could not fully account for the ongoing educational impacts for schools on or near the Bakken as they simply do not "sunset" or for the volatility within the energy sector currently being experienced. The present reality is one in which many energy sector schools will face a double-whammy in terms of adopted language within SB175 (MCA 20-9-310) when developing 2015-2016 budgets and due to continuing impacts associated with oil and gas production and global oil prices. Energy sector schools will continue to see impacts related to increasing enrollments, student mobility, inflated housing, recruitment and retention of staff (salaries, licensure, and cost of living), school infrastructure and other educational support areas. Unlike the mid-1980s, energy development in the region is not a "Bust", it is simply a slowdown associated with 50 percent downturn in oil prices as the world market readjusts.

Current forecasts in the energy markets point to ongoing energy development at a slower pace and not a "bust" or "sun setting" of school/community impacts on July 1, 2016. Consequently, three elements of SB 175 need to be amended to accommodate ongoing impacts for schools and to account for volatility within the oil and gas market. One, amend concentric language providing for greater distribution; two, adjust the 130 percent to 150 percent for small schools; and three, remove the 25 percent allocation to the general fund providing Trustees complete flexibility in making fiscal decisions in the best interest of their schools and communities.

Energy sector developments will continue at a slower pace and will be the impetus for ongoing commercial and residential land development, positive demographic/population shifts, increases in regional economies and a host of related impacts that will effect school communities. As example, in a recently completed long-range facility and demographic study (CTA Architects & Engineers, December 2014) for Sidney Schools, K-12 enrollment projections indicate student enrollment increases through 2026-27, representing annual K-12 enrollment increase ranging from 3.9 percent to 6.2 percent. Sidney's demographic future can be applied to energy sector schools and schools on key transportation corridors (i.e., Glendive, Miles City, Glasgow) who will continue to experience energy development impacts tied to regional oil and gas development.

With the scheduled sunset of the concentric circle provision in SB 175 there will be no associated sunset of the impacts for schools. What then are common impacts? The remainder of this handout serves to identify common impacts for energy schools or metrics that can be used to gauge and address school needs going forward. Failure to recognize and address actual impacts facing schools leaves decision-making to be based on state or national measures/averages; subsequently, decisions made will not align with or address needs of impact districts. The real consequence is that impact schools will not be in a position to deliver a "high quality education" or possibly, even a "basic system of education" for students. The following information was obtained from impact schools for the purpose of working with legislators to amend SB175 concentric circle language.

There are many different metric measures that can be considered in the development of funding model based on metrics for schools. Metrics serve to inform, draw comparisons, identify needs, design alternatives, negotiate agreements, or even change perspective viewpoints. Thirty-two schools in the NE & SE MASS regions were asked to provide information concerning impacts to their schools if any. Seventeen (17) schools provided information toward the following metrics and specific school impact examples are provided as appropriate to provide validity to school concerns and to show that school needs are not always apples to apples; rather, often unique to each school.

1. **Demographic Metrics:** descriptive data that captures student composition and enrollment increases Example metrics include increases/decreases in enrollment K12, ELL population, homeless, special education, and economic need.
  - 13 of 17 schools reported having enrollment issues
    - Bainville—550 % increase in junior high enrollment since 05-06
    - Savage—300 percent increase in kindergarten enrollment/20% increase in K12
    - Lambert—22% increase in 2014-2015 K8 enrollment/60% increase since 2010-K12
    - Baker—28% increase grades 9-12 in past years
  - 12 of 17 schools reported increases in special education population
    - Sidney—23.85% increase from 2012-13
    - Bainville—400% increase in 8 years (6 to 24 Students—800% increase in staffing)
    - Culbertson—18% increase from 2012-2013
  - 12 of 17 schools reported an increase in homeless population
  - Approximately 50% of reporting schools reported increases related to Title I services and economic need
2. **School Environment Metrics**—day-to-day elements of the school environment: Examples of school environment data include student stability/mobility (% of students moving in and out of school during the year) and attendance/truancy issues.
  - 13 of 17 schools reported student mobility issues
    - Westby—23%, Froid—39%, Culbertson—over 35% for 2014-2015, Bainville—31% for 2014-2015
    - Fairview—100 new students 1<sup>st</sup> day of school and 31 requests for record transfer
    - Sidney—not including students enrolled/withdrawn before the 1<sup>st</sup> day of class over the past 4 years, 598 enrollments/515 withdrawals (combined total 1,113 students), 181 students total this school year following the first day of school through 12/31
  - 9 and 8 of 17 schools reported increases in attendance and disciplinary issues respectively
    - Culbertson—16.4 % increase in attendance in 2013-2014
3. **Student Achievement Metrics**—examples include need for course/credit remediation or students not at grade level.
  - 15 of 17 schools reported increases in academic issues
    - 10 of 17 schools reporting increases in number of students not at grade level
    - 8 of 17 schools reporting increases in need for credit remediation
4. **Human Resources and Instructional Metrics**—examples include new personnel, certified/classified, needed to meet accreditation standards, educational needs of students (i.e., individual special education aides), number of teachers on emergency authorizations, internships, or class 5 alternative endorsement.
  - 12 of 17 schools reported needing to hire additional certified staff
  - 13 of 17 schools reported needing to hire additional classified staff
  - 7 of 17 schools reported increases in alternative certifications (i.e., Sidney-5, Bainville-3, Culbertson-2, Frontier-2)
  - 14 of 17 schools reported recruitment issues—most tied to housing costs, lack of housing, and cost of living
  - 15 of 17 schools reported transportation issues ranging from route driver shortages to activity driver shortages
5. **Facilities and Resources Metrics**—represents an increase in facility needs, program space, and other facility resources necessary to meet education needs—building capacity needs, school transportation—expanding routes, auxiliary facility shortages, high building costs and associated funding mechanisms (limited bonding capacity)
  - 7 of 17 schools reported needing additional classroom space
    - Bainville—3-5 new classrooms, administrative space, auxiliary space
    - Sidney—West Side Elementary expansion/remodel (8 new classrooms, Music/Art room, Food Service) with an estimated cost of \$8, 523,052. This is figured at \$190 per square foot. This cost may be low based on costs associated with Watford City and Williston's new school construction costs. According to JLG architects, the lead firm put construction costs at \$300 plus per square foot

6. **Economic Resource Metrics**—consideration of local/regional economics that are reflected in increasing taxable valuations, commercial/residential land development, affordable housing, building costs, day-to-day living expenses, school materials—text books, classroom furniture, technology, and related instructional resource expenses.

- 8 of 17 schools reported increases in property value—land and home values
- 12 of 17 reported increase in rental costs and is rationale for why many schools have had to build/lease staff housing—not a choice for schools
  - 1 bedroom—\$700 to \$1200
  - 2 bedroom—\$800 to \$2500
  - 3 bedroom—\$1500 to \$3500
- 5 of 17 schools reported that Bonding Capacity is a concern with continued enrollment and expansion needs (Bainville, Culbertson, Froid, Sidney, and Lambert) even with increasing property valuations.

Per month costs as reported by Bainville, Baker, Culbertson, Froid, Frontier, Lambert, Miles City, Plevna, Savage, Sidney,

#### Summary:

Schools are unique and each will have its own story and impact metrics that stem from energy development in Eastern Montana and other parts of our state. The aforementioned metrics provide an overview of impacts currently faced by schools in the delivery of a quality education. Concentric circle language contained in SB175 was aimed at helping schools mitigate impacts to their districts but after two years, oil and gas revenue has not reached many schools in need of assistance. Removal of the "sunset" provision and amending of the allocation process through a 50/50 split of the overflow above the current proposed 150% would address what is going to be continuing need for schools. As noted in the January 14, 2015, addition of the Flathead Beacon, "natural resource tax will increase to \$180 million in the fiscal year 2017 forecast" according to the Governor's Office of Budget and Program Planning (OBPP). This projected increase strongly correlates to continued development in the energy sectors and not a "Bust" in impact regions as some would believe and definitely not a sunseting of school or community impacts.

Refinement, expansion, and use of a metrics model can provide schools with impacts a process for obtaining additional and needed funding with amendments to SB175. The amendment proposed, a 50/50 split of overflow funds above the 150 percent, is a beginning point for addressing the needs of impact schools using metrics that account for identified needs of impacted school communities. Several metrics may be common to all schools (i.e., enrollment increases, increases in special education) and can be used as a basis for any funding model developed. Additionally, any funding model developed and based on metrics should include some flexibility as each school is unique and may experience an impact specific to a situation and not common to all schools. SB175 was a significant step forward in school funding and language specific to oil and gas schools and must be evaluated and amended in view of continuing impacts and due to the volatility (low oil prices) in the U.S. oil industry.

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#### Key Points:

1. Amend SB 175 to reflect a 50/50 split of concentric circle money above the current 150% (see 2 below).
  - Develop a Metrics Funding Model to assist all school of impact based on a common set of metrics reflective of energy development impacts.
  - Develop a Metrics Funding Model that acknowledges the uniqueness of each school with the realization that all schools will not have the same impacts.
2. Increase the 130% to 150% in SB 175.
3. Remove the 25 % budget allocation requirement of oil and gas revenue from the General Fund.

